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IN THE UNITED STATES DISTRICT COURT

2

FOR THE DISTRICT OF DELAWARE

3

UNITED STATES OF AMERICA,)

4

Plaintiff,)

5

) C.A. No. 19-cr-57-RGA

v.)

6

STEPHEN WILLIAMS,)

7

Defendant.)

8

9

Friday, May 24, 2019

2:00 p.m.

10

Plea Hearing

11

844 King Street

12

Wilmington, Delaware

13

BEFORE: THE HONORABLE RICHARD G. ANDREWS

14

United States District Court Judge

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APPEARANCES:

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UNITED STATES ATTORNEY'S OFFICE

BY: LAURA D. HATCHER, ESQ.

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Counsel for the Plaintiffs

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LAW OFFICE OF DINA CHAVAR

BY: DINA CHAVAR, ESQ.

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Counsel for the Defendant

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02:06:11 1 THE COURT: All right. Please be seated.

02:06:13 2 Ms. Hatcher.

02:06:14 3 MS. HATCHER: Good afternoon, Your Honor. Laura
02:06:16 4 Hatcher on the behalf of the United States. Now is the time
02:06:18 5 for the hearing in the matter of United States versus
02:06:20 6 Stephen Williams, Criminal Action Number 19-57. The
02:06:25 7 Defendant is present with his counsel and the government is
02:06:27 8 prepared to proceed.

02:06:28 9 If we may, Your Honor, I have a signed
02:06:30 10 Memorandum of Plea Agreement with sealed Attachment A and
02:06:33 11 waiver of indictment that I would like to hand up.

02:06:51 12 THE COURT: All right. That will be good.

02:07:01 13 Okay. Ms. Chavar and Mr. Williams, can you come
02:07:05 14 forward?

02:07:06 15 MS. CHAVAR: Certainly.

02:07:18 16 THE COURT: Good afternoon, Mr. Williams.

02:07:21 17 THE DEFENDANT: Good afternoon.

02:07:21 18 THE COURT: How are you today?

02:07:22 19 THE DEFENDANT: I'm well. How are you?

02:07:24 20 THE COURT: Good.

02:07:25 21 So I understand that you intend to enter a
02:07:27 22 guilty plea pursuant to this Memorandum of Plea Agreement.
02:07:31 23 It's my responsibility to make sure that your plea of guilty
02:07:34 24 is knowing and voluntary. So I'm going to ask you a series
02:07:38 25 of questions so I can be sure that that is the case. I'm

02:07:42 1 going to first have you take an oath to answer all of my
02:07:46 2 questions truthfully. It's important to answer truthfully.
02:07:49 3 If you answer any of the questions falsely, your false
02:07:51 4 answer may later be used against you in a separate
02:07:55 5 prosecution for perjury.

02:07:56 6 Do you understand all that?

02:07:57 7 THE DEFENDANT: Yes, sir.

02:07:58 8 THE COURT: Can we administer an oath.

02:08:01 9 (Oath administered to the Defendant and the
02:08:11 10 Defendant affirmed.)

02:08:11 11 THE COURT: So Mr. Williams, what is your full
02:08:14 12 name?

02:08:15 13 THE DEFENDANT: Stephen McCale Williams.

02:08:17 14 THE COURT: Okay. And what's your date of
02:08:19 15 birth?

02:08:19 16 THE DEFENDANT: 5/29/83.

02:08:22 17 THE COURT: All right. So you're thirty-five.

02:08:26 18 THE DEFENDANT: Yes, I'll be thirty-six
02:08:28 19 Wednesday.

02:08:28 20 THE COURT: Okay. How far did you go in school?

02:08:31 21 THE DEFENDANT: I'm working on my second masters
02:08:33 22 degree as we speak.

02:08:34 23 THE COURT: Okay. I take it from what I have
02:08:38 24 heard so far that you speak and understand English?

02:08:41 25 THE DEFENDANT: Yes, sir.

02:08:42 1 THE COURT: I have to ask these questions. So
02:08:46 2 are you having any trouble understanding me so far?

02:08:48 3 THE DEFENDANT: No, sir.

02:08:49 4 THE COURT: Have you ever been treated for any
02:08:52 5 mental illness?

02:08:53 6 THE DEFENDANT: No, sir.

02:08:53 7 THE COURT: Have you ever been treated for
02:08:56 8 addiction to alcohol or drugs of any kind?

02:08:58 9 THE DEFENDANT: No, sir.

02:08:59 10 THE COURT: Are you presently under the
02:09:01 11 influence of any alcohol, medication or drug of any kind?

02:09:04 12 THE DEFENDANT: No, sir.

02:09:04 13 THE COURT: Do you understand what's going on
02:09:06 14 today?

02:09:06 15 THE DEFENDANT: Yes, sir.

02:09:06 16 THE COURT: Do you have any, Ms. Chavar, do you
02:09:10 17 have any reason to doubt Mr. Williams's competence to
02:09:14 18 proceed?

02:09:14 19 MS. CHAVAR: No, Your Honor.

02:09:16 20 THE COURT: So have you, Mr. Williams, received
02:09:18 21 a copy of the Information pending against you in this case?
02:09:25 22 That's the document with the formal written charge.

02:09:28 23 THE DEFENDANT: Yes, sir.

02:09:29 24 THE COURT: And have you fully discussed the
02:09:34 25 charge and the case in general with your attorney,

02:09:37 1 Ms. Chavar?

02:09:38 2 THE DEFENDANT: Yes, sir.

02:09:39 3 THE COURT: Have you had enough time to talk to
02:09:41 4 her about anything you want to talk to her about?

02:09:44 5 THE DEFENDANT: Yes, sir.

02:09:45 6 THE COURT: So an Information is different than
02:09:50 7 indictment. You and any defendant have the right to be
02:09:54 8 charged by an indictment which is returned by a grand jury.
02:09:59 9 A grand jury is a group of citizens who determine that it is
02:10:03 10 more probable than not that you committed the crime charged.

02:10:07 11 The charges in the Information on the other hand
02:10:10 12 are not reviewed by a grand jury, they're simply written up
02:10:15 13 by the government's attorney. So you can waive indictment
02:10:17 14 and if you do, then you're giving up your right to have the
02:10:21 15 grand jury act as a safeguard against prosecutorial abuse.
02:10:27 16 Do you understand all that?

02:10:27 17 THE DEFENDANT: Yes, sir.

02:10:28 18 THE COURT: Have you discussed the waiver of
02:10:29 19 indictment with Ms. Chavar?

02:10:31 20 THE DEFENDANT: Yes, sir.

02:10:31 21 THE COURT: Have you also signed a document
02:10:34 22 which is two-pages long captioned Waiver of Indictment
02:10:42 23 earlier today indicating that you waive indictment?

02:10:46 24 THE DEFENDANT: Yes, sir.

02:10:46 25 THE COURT: Is that, in fact, what you want to

02:10:48 1 do is to waive indictment?

02:10:49 2 THE DEFENDANT: Yes, sir.

02:10:50 3 THE COURT: All right. Nobody is forcing you or
02:10:54 4 made you any promises to cause you to do this; is that
02:10:57 5 right?

02:10:57 6 THE DEFENDANT: No, sir.

02:10:58 7 THE COURT: Okay. Well, I'm going to accept the
02:11:03 8 waiver of indictment. I will hand the original to the clerk
02:11:06 9 for filing.

02:11:07 10 Are you fully satisfied with the advice given to
02:11:10 11 you by Ms. Chavar?

02:11:11 12 THE DEFENDANT: Yes, sir.

02:11:12 13 THE COURT: So I have also been handed this
02:11:14 14 written Memorandum of Plea Agreement which on the seventh
02:11:19 15 page has signatures in blue ink of the prosecutor and
02:11:23 16 Ms. Chavar.

02:11:25 17 Did you also sign this earlier today?

02:11:27 18 THE DEFENDANT: Yes, sir.

02:11:27 19 THE COURT: And before you signed it, did you
02:11:30 20 read the whole thing?

02:11:31 21 THE DEFENDANT: Yes, sir.

02:11:32 22 THE COURT: Did you discuss it with Ms. Chavar?

02:11:36 23 THE DEFENDANT: Yes, sir.

02:11:37 24 THE COURT: Do you think you understand what
02:11:39 25 your agreement with the government is?

02:11:40 1 THE DEFENDANT: I do.

02:11:41 2 THE COURT: And when you were talking with
02:11:42 3 Ms. Chavar about it, if there were any parts that were
02:11:49 4 unclear or that you just wanted more explanation about, did
02:11:53 5 you tell her about them?

02:11:54 6 THE DEFENDANT: Yes, sir.

02:11:55 7 THE COURT: And she then provided explanation?

02:11:57 8 THE DEFENDANT: Yes, sir.

02:11:57 9 THE COURT: So you understand the agreement
02:12:04 10 between you and the government is exactly what's written
02:12:07 11 down in this agreement, nothing less and nothing more?

02:12:09 12 THE DEFENDANT: Yes, sir.

02:12:10 13 THE COURT: All right. So I'm going to ask the
02:12:12 14 prosecutor to summarize the essential terms of the plea
02:12:17 15 agreement. I'm going to ask you after she's done whether
02:12:20 16 she said anything that is different than your understanding
02:12:23 17 of what your agreement is. So let's do that.

02:12:34 18 Ms. Hatcher, what are the essential terms of the
02:12:36 19 plea agreement?

02:12:37 20 MS. HATCHER: Yes, Your Honor.

02:12:38 21 Paragraph 1, the Defendant agrees to waive
02:12:40 22 indictment and enter a voluntary plea of guilty to one count
02:12:43 23 of an information charging him with threat or bribery
02:12:47 24 concerning programs receiving federal funds, in violation of
02:12:50 25 18 USC Section 666(a)(2).

02:12:53 1 Paragraph 2. The Defendant understands that the
02:12:54 2 charge against him carries the following maximum statutory
02:12:59 3 penalties: Ten years of imprisonment; a \$100 special
02:13:03 4 assessment; three years of supervised release; restitution;
02:13:06 5 and a fine of twice the gross monetary loss to the victim.

02:13:10 6 In paragraph 3, the Defendant understands that
02:13:12 7 if we were to proceed to trial, the government would have to
02:13:15 8 prove beyond a reasonable doubt the following elements of
02:13:17 9 the offense, that there was a Person 1 who was an agent of
02:13:20 10 the University A; University A received federal benefits in
02:13:23 11 excess of \$10,000 in a one-year period; Defendant gave a
02:13:29 12 thing of value, here cash payment, to Person 1; Defendant
02:13:31 13 acted corruptly with the intent to influence Person 1 with
02:13:35 14 respect to a transaction or series of transactions
02:13:38 15 concerning University A; the value of the transaction or
02:13:41 16 series to transactions to which payment was related was at
02:13:44 17 least \$5,000. And he knowingly, voluntarily, and
02:13:44 18 intelligently admits his guilt to each of the above
02:13:49 19 described elements.

02:13:49 20 In paragraph 4, the Defendant admits he's
02:13:52 21 pleading guilty because he is, in fact, guilty.

02:13:54 22 In paragraph 5, the parties have stipulated and
02:13:57 23 agreed the loss amount to the victim is between 1.5 and \$3.5
02:14:01 24 million.

02:14:01 25 In paragraph 6, the United States agrees that in

consideration of Defendant's guilty plea, it will not oppose a two-level reduction in the Offense Level related to the sentencing guidelines, or a three-level reduction if it turns out the sentences guidelines are 16 or greater.

In paragraph 7, the Defendant understands that the Court will sentence him in accordance with the sentencing factors set forth in 18 USC, Section 3553(a), and he understands that the sentencing will be left up to the Judge who may impose a sentence that exceeds, falls below, or is contained within the guidelines. And that if that sentence is different than that what which the Defendant expects, that is not a reason to withdraw his guilty plea.

Paragraph 8, the United States retains the right to make whatever recommendation at the time of sentencing that it believes are appropriate.

Paragraph 9, incorporates Attachment A and any terms thereto which are filed under seal to the Court and the parties agree to be bound by those terms.

Paragraphs 10 and 11 and subparts relate to forfeiture and restitution and the Defendant's obligations to comply with forfeiture requirements and financial disclosure.

In paragraph 12, the Defendant agrees to waive constitutional and statutory challenges pending forfeiture.

In paragraph 13, the Defendant voluntarily and

expressly waives the right to file an appeal, collateral attack or other writ or position after sentencing including but not limited to an appeal under 18 USC, Section 3742, or 28 USC, Section 1291, or a motion under 28 USC, Section 2255. Notwithstanding the foregoing, the Defendant reserves his right to file an appeal for ineffective assistance of counsel or to appeal if the government appeals, or if the Defendant's sentence exceeds that set forth in the maximum sentencing penalties or reasonably exceeds the sentencing guidelines.

In paragraph 14, the Defendant agrees to pay a special assessment of \$100 at the time of sentencing.

And in paragraph 15, the parties understand that this memorandum together with any terms in Attachment A supercede all prior promises and are the final products of the parties.

THE COURT: Thank you, Ms. Hatcher.

So Mr. Williams, is there anything that the prosecutor said about what's in the agreement that is different than your understanding of what's in the agreement?

THE DEFENDANT: No, sir.

THE COURT: And the prosecutor referenced this Attachment A which is filed under seal. Do you know what Attachment A says?

02:16:40 1 THE DEFENDANT: Yes.

02:16:40 2 THE COURT: Okay. And you agree that that's
02:16:42 3 correct?

02:16:43 4 THE DEFENDANT: Yes.

02:16:43 5 THE COURT: All right. So the written plea
02:16:55 6 agreement, does that accurately reflect the agreement you
02:16:59 7 have reached with the government?

02:17:01 8 THE DEFENDANT: Yes, sir.

02:17:01 9 THE COURT: Has anyone made you any promises
02:17:03 10 that are not contained in the written plea agreement?

02:17:06 11 THE DEFENDANT: No, sir.

02:17:06 12 THE COURT: And has anyone threatened you or
02:17:09 13 forced you in any way to enter into the written plea
02:17:12 14 agreement?

02:17:13 15 THE DEFENDANT: No, sir.

02:17:13 16 THE COURT: Do you understand that you are under
02:17:15 17 oath now so you're not going to be able to tell me later
02:17:18 18 that you were promised something in order to plead guilty
02:17:22 19 because you're telling me now you weren't?

02:17:24 20 THE DEFENDANT: Yes, sir.

02:17:24 21 THE COURT: You understand that?

02:17:25 22 THE DEFENDANT: I understand.

02:17:26 23 THE COURT: So I take it you're a U.S. citizen?

02:17:30 24 THE DEFENDANT: Yes, sir.

02:17:30 25 THE COURT: And is this the first time you ever

02:17:33 1 pleaded guilty to a felony?

02:17:35 2 THE DEFENDANT: Yes, sir.

02:17:36 3 THE COURT: So do you understand that a felony
02:17:40 4 offense which this is causes the loss of valuable civil
02:17:45 5 rights such as the right to vote, the right to hold public
02:17:48 6 office, the right to serve on a jury and the right to
02:17:50 7 possess any kind of firearm or ammunition?

02:17:54 8 THE DEFENDANT: Yes, sir.

02:17:54 9 THE COURT: The maximum penalty that could be
02:17:57 10 imposed by statute are set forth in paragraph two of the
02:18:00 11 plea agreement, they include, and this is the maximum, 10
02:18:03 12 years of imprisonment, a \$100 special assessment, three
02:18:07 13 years of supervised release, restitution in an amount that's
02:18:13 14 not really known at this time, and a fine of twice the gross
02:18:19 15 monetary loss to the victim which based on the conduct you
02:18:24 16 agreed to in paragraph 5 is probably somewhere between \$3
02:18:31 17 million and \$7 million. Do you understand that?

02:18:33 18 THE DEFENDANT: Yes, sir.

02:18:37 19 THE COURT: Now, and Ms. Chavar, have you talked
02:18:40 20 about how your sentencing may play out?

02:18:44 21 THE DEFENDANT: Yes.

02:18:45 22 THE COURT: And have you discussed or are you
02:18:49 23 familiar at this point with something called the United
02:18:52 24 States Sentencing Guidelines?

02:18:53 25 THE DEFENDANT: Yes, sir.

02:18:53 1 THE COURT: And so do you understand that before
02:18:58 2 we get to sentencing, the United States Probation Office
02:19:02 3 will prepare a presentence investigation report for the
02:19:06 4 Court and then both you and the government will have a
02:19:09 5 chance to review that part and to challenge any of the facts
02:19:12 6 that are contained in it?

02:19:13 7 THE DEFENDANT: Yes, sir.

02:19:14 8 THE COURT: When we actually get to sentencing
02:19:16 9 which will probably be no earlier than like late August,
02:19:20 10 maybe beyond that, basically there a process we'll go
02:19:26 11 through at the beginning of the sentencing which will start
02:19:31 12 with this presentence report that's been prepared. And in
02:19:34 13 it, it will have the probation officer's estimate of the
02:19:37 14 sentencing guidelines that apply to you. Do you understand
02:19:40 15 that?

02:19:40 16 THE DEFENDANT: Yes, sir.

02:19:41 17 THE COURT: So the first step at the sentencing
02:19:43 18 will be if you or the government disagree with the probation
02:19:47 19 officer's assessment of the sentencing guidelines or any
02:19:51 20 other factor in this presentence report, you can raise the
02:19:54 21 issue and I'll rule on it. And if the rule changes the
02:19:59 22 sentencing guidelines, I'll recalculate them and tell you
02:20:02 23 what they are. That's the first step, do you understand
02:20:04 24 that?

02:20:05 25 THE DEFENDANT: Yes, sir.

02:20:06 1 THE COURT: So the second step is either you or
02:20:08 2 the government can do what's called make a motion for
02:20:12 3 departure from the guidelines which is when based on things
02:20:15 4 that are in the guidelines themselves, you asked to go above
02:20:21 5 or below what that guideline range is. And if either side
02:20:27 6 makes such a motion, I'll consider it. If I grant it, I'll
02:20:30 7 tell you how that affects my view of where we're at in terms
02:20:33 8 of the sentencing guidelines. Do you understand that?

02:20:35 9 THE DEFENDANT: Yes, sir.

02:20:36 10 THE COURT: And then the third thing is either
02:20:38 11 you or the government can do what's called request a
02:20:41 12 variance which is when based on the statute that tells me
02:20:47 13 the various things that I'm supposed to consider in
02:20:51 14 sentencing anybody, they make -- there is argument that
02:20:56 15 sentence should be above or below whatever that last
02:20:59 16 guideline range was we had, and if there is a request for a
02:21:04 17 variance, I'll consider it and explain why I'm going to
02:21:08 18 grant it or not going to grant it. And so that's kind of
02:21:16 19 the procedural part of the sentencing. Does that all sound
02:21:19 20 familiar to you?

02:21:20 21 THE DEFENDANT: Yes, sir.

02:21:20 22 THE COURT: And at the sentencing, your
02:21:23 23 attorney, the government's attorney and you yourself will
02:21:26 24 have a chance to speak to me about what you think an
02:21:28 25 appropriate sentence is. All right?

02:21:31 1 THE DEFENDANT: Yes, sir.

02:21:32 2 THE COURT: Do you need some water, Ms. Hatcher?

02:21:43 3 MS. HATCHER: I do. I apologize, Your Honor.

02:21:47 4 Allergies.

02:21:58 5 THE COURT: All right. Mr. Williams, so do you
02:22:03 6 understand that in the plea agreement, you're waiving most
02:22:07 7 if not all of your rights to appeal the sentence that I
02:22:11 8 impose?

02:22:12 9 THE DEFENDANT: Yes, sir.

02:22:13 10 THE COURT: And in fact it's broader than just
02:22:16 11 appeal, because sometimes people file what is popularly
02:22:22 12 known as a writ of habeas corpus. You're waiving your right
02:22:26 13 to that, too. Do you understand that?

02:22:27 14 THE DEFENDANT: Yes, sir.

02:22:27 15 THE COURT: So to be more precise, paragraph 13
02:22:39 16 sets forth exactly what the waiver is. And essentially the
02:22:43 17 way it's set up, Mr. Williams, is it says, I'm not using the
02:22:49 18 language of the law here, but it says you give up all your
02:22:52 19 rights to complain about the sentence that I impose -- by
02:22:56 20 complain, I mean try to do something about it legally --
02:23:00 21 with very limited exceptions. Do you understand that's kind
02:23:03 22 of the way it's set up, you're giving up everything, but a
02:23:06 23 little bit you're keeping. And the little bit that you're
02:23:10 24 keeping is that you can file a motion or appeal if you're
02:23:14 25 raising a claim that Ms. Chavar provided ineffective

02:23:17 1 assistance of counsel, and you can appeal if the government
02:23:22 2 appeals, or if your sentence exceeds the statutory maximum
02:23:28 3 for the offense set forth in the United States Code, or if
02:23:31 4 the sentence unreasonably exceeds the sentencing guidelines
02:23:35 5 range determined by the United States Sentencing Guidelines.
02:23:41 6 Do you understand the little bit of rights that you're
02:23:43 7 keeping?

02:23:44 8 THE DEFENDANT: Yes, sir.

02:23:44 9 THE COURT: Okay. And essentially if the
02:23:58 10 sentence you get is more severe than what you expect, or you
02:24:02 11 think it's unfair and harsh, basically you're going to have
02:24:07 12 -- there is nothing you can do about it, unless you fit into
02:24:11 13 one of those little categories. Do you understand that?

02:24:14 14 THE DEFENDANT: Understood.

02:24:16 15 THE COURT: Do you also understand that there is
02:24:17 16 no parole in the federal system. You're not going to be
02:24:24 17 released on parole.

02:24:26 18 THE DEFENDANT: Yes, sir.

02:24:27 19 THE COURT: Do you understand your sentence may
02:24:28 20 include payment of a fine and/or payment of restitution, and
02:24:35 21 it will certainly include the \$100 mandatory special
02:24:39 22 assessment because that's mandatory. Do you understand
02:24:41 23 that?

02:24:42 24 THE DEFENDANT: Yes, sir.

02:24:43 25 THE COURT: And there is also a forfeiture

02:24:46 1 provision in the plea agreement which I would think is --

02:24:56 2 MS. CHAVAR: I believe it's paragraph 10 through
02:24:59 3 12, Your Honor.

02:25:00 4 THE COURT: Right.

02:25:02 5 MS. CHAVAR: Starting on page three.

02:25:04 6 THE COURT: Right. Has the government seized
02:25:09 7 any property from you so far that you know of?

02:25:11 8 THE DEFENDANT: No, sir.

02:25:11 9 THE COURT: Okay. Well, if they haven't done so
02:25:15 10 now, they're probably unlikely to do so, but in the event
02:25:18 11 that they do, you're basically agreeing that you will do
02:25:21 12 nothing to oppose it and that you'll do everything you can
02:25:24 13 to help them forfeit your property. Do you understand that?

02:25:28 14 THE DEFENDANT: Yes, sir.

02:25:28 15 THE COURT: Okay. So Mr. Williams, you also
02:25:32 16 understand that you don't have to plead guilty. You have
02:25:36 17 the right to continue -- I guess you never actually entered
02:25:41 18 a plea, but you can enter a plea of not guilty and we can
02:25:46 19 schedule a trial by jury on the charge during which you
02:25:50 20 would also have the right to the assistance of an attorney
02:25:53 21 for your defense including the right to have an attorney
02:25:56 22 appointed by the court if you couldn't afford one, you would
02:25:59 23 have the right to see and hear all the witnesses and have
02:26:01 24 them cross-examined in your own defense or in your defense,
02:26:05 25 you would have the right on your own part not to testify

02:26:08 1 unless you voluntarily choose not to do so in your own
02:26:11 2 defense, and you would have the right to compel the
02:26:14 3 attendance of witnesses to testify on your behalf. Do you
02:26:17 4 understand you have all of those rights?

02:26:18 5 THE DEFENDANT: Yes, sir.

02:26:20 6 THE COURT: And do you understand if there were
02:26:22 7 a trial and you decided not to testify and not to put on any
02:26:26 8 evidence, the fact that you didn't testify or didn't put on
02:26:30 9 any evidence couldn't be used against you by the jury to
02:26:33 10 convict you?

02:26:34 11 THE DEFENDANT: Yes, sir.

02:26:34 12 THE COURT: You further understand by entering a
02:26:36 13 plea of guilty there is not going to be a trial?

02:26:39 14 THE DEFENDANT: Understood.

02:26:40 15 THE COURT: As a result you will have given up
02:26:42 16 your right to a trial by jury as well as the other rights
02:26:45 17 associated with the trial by jury.

02:26:47 18 THE DEFENDANT: Understood.

02:26:47 19 THE COURT: You also understand that if this
02:26:50 20 case were to go to trial, it would be the government's
02:26:53 21 burden to prove to the jury beyond a reasonable doubt each
02:26:57 22 of the essential elements of the offense, and the jury
02:27:01 23 before it could convict you, it would have to unanimously
02:27:07 24 agree to your guilt?

02:27:07 25 THE DEFENDANT: Understood.

02:27:08 1 THE COURT: Now, the essential elements of the
02:27:13 2 offense with which you're charged are stated in the plea
02:27:16 3 agreement and were noted by the prosecutor. I'm going to
02:27:21 4 note them again to make sure that you understand them.

02:27:24 5 Do you understand what the government would have
02:27:25 6 to prove beyond a reasonable is that somebody else who the
02:27:31 7 plea agreement calls Person 1 was an agent of the
02:27:36 8 University.

02:27:37 9 Two. That the University received federal
02:27:42 10 benefits in excess of \$10,000 in a one-year period.

02:27:46 11 Three. That the Defendant, that would be you,
02:27:52 12 gave a thing of value, in particular cash, to Person 1.

02:27:59 13 Four. You acted corruptly with the intent to
02:28:04 14 influence Person 1 with respect to a transaction or series
02:28:10 15 of transactions of the University.

02:28:11 16 And five. That the value of the transaction or
02:28:16 17 series of transactions to which the payment related was at
02:28:22 18 least \$5,000.

02:28:25 19 It's kind of abstract if you don't know what's
02:28:28 20 being talked about here, but do you understand that, in
02:28:32 21 fact, that's what the government would have to prove in
02:28:34 22 order to convict you of this crime?

02:28:37 23 THE DEFENDANT: Yes, sir.

02:28:40 24 THE COURT: And do you understand that if I
02:28:43 25 accept a guilty plea, the government is not going to have to

02:28:46 1 prove anything because you're admitting it all?

02:28:49 2 THE DEFENDANT: Yes, sir.

02:28:49 3 THE COURT: Are you pleading guilty of your own
02:28:51 4 freewill because you are, in fact, guilty of this crime?

02:28:54 5 THE DEFENDANT: Yes, sir.

02:28:54 6 THE COURT: Can you tell me briefly what it is
02:28:57 7 that you did that makes you think you should pleading guilty
02:29:00 8 to this crime?

02:29:01 9 THE DEFENDANT: I assisted out of state students
02:29:04 10 at Delaware State University in gaining in-state tuition or
02:29:09 11 tuition free.

02:29:11 12 THE COURT: Did you assist them -- did part of
02:29:12 13 that involve giving cash payments to an official at Delaware
02:29:17 14 State University?

02:29:17 15 THE DEFENDANT: Yes, it did.

02:29:18 16 THE COURT: And that official that you gave the
02:29:21 17 cash to had the power to change a student's in-state or
02:29:29 18 out-of-state status?

02:29:30 19 THE DEFENDANT: Yes, sir.

02:29:31 20 THE COURT: And you gave this person -- and
02:29:35 21 basically every time a student tuition was switched from out
02:29:40 22 of state to in-state, do you have an idea of roughly how
02:29:45 23 much money a semester or year that saved them?

02:29:48 24 THE DEFENDANT: I don't.

02:29:49 25 THE COURT: But it was multiple thousands of

02:29:51 1 dollars a year; right?

02:29:53 2 THE DEFENDANT: Yes.

02:29:53 3 THE COURT: And do you have an idea of
02:29:56 4 approximately how many different students you assisted doing
02:30:00 5 this?

02:30:01 6 THE DEFENDANT: I don't.

02:30:01 7 THE COURT: Was it more than ten?

02:30:03 8 THE DEFENDANT: Yes, it was more than ten.

02:30:06 9 THE COURT: All right. So I'm going to ask the
02:30:14 10 prosecutor to summarize what the government would prove if
02:30:18 11 the case went to trial. And listen carefully because I'm
02:30:21 12 going to ask you afterwards whether she said anything that
02:30:25 13 you significantly disagree with. Okay?

02:30:27 14 THE DEFENDANT: Yes, sir.

02:30:27 15 THE COURT: All right. Ms. Hatcher, what would
02:30:29 16 the government prove if the case went to trial.

02:30:32 17 MS. HATCHER: Yes, Your Honor. Were this case
02:30:34 18 to go to trial, the government would prove the following:

02:30:36 19 Stephen Williams was the leader of a scheme that
02:30:39 20 he executed at Delaware State University whereby he would
02:30:43 21 recruit DSU students --

02:30:43 22 THE COURT: Ms. Hatcher, a little bit slower.

02:30:45 23 MS. HATCHER: I apologize. I'll start from the
02:30:48 24 beginning.

02:30:48 25 THE COURT: Okay.

02:30:49 1 MS. HATCHER: Stephen Williams was the leader of
02:30:51 2 a scheme that he executed at Delaware State University
02:30:54 3 whereby he would recruit DSU students to pay him a fee to
02:30:58 4 make changes in their student registration from out-of-state
02:31:01 5 residency to in-state residency. DSU is an institution that
02:31:05 6 received federal funding in excess of \$10,000 during each of
02:31:09 7 the years implicated by the co-defendants' conduct, that is,
02:31:13 8 from at least 2013 to 2017. Williams is a DSU alumni.

02:31:18 9 Williams ran his residency scheme at DSU from
02:31:21 10 approximately 2013 to 2017. To do so, Williams recruited
02:31:25 11 DSU students who agreed to pay him a fee -- which fee varied
02:31:30 12 from several hundred dollars to several thousand dollars --
02:31:33 13 and in turn Williams created or oversaw the creation of
02:31:37 14 false documentation, such as forged leases. Williams then
02:31:37 15 delivered the forged documents to co-Defendant Crystal
02:31:42 16 Martin, who was then an Associate Registrar at DSU, who
02:31:46 17 placed the forged paperwork in the student's file,
02:31:49 18 justifying the residency change she recorded in the
02:31:52 19 university system. For each student that paid Williams a
02:31:54 20 fee, Williams paid Martin a small portion of the money he
02:31:58 21 collected. Although the total amount that Williams profited
02:32:01 22 from his scheme is unknown, Williams paid Martin
02:32:05 23 approximately \$70,000 over the course of four years.

02:32:07 24 Apart from his own direct student recruitment,
02:32:10 25 Williams also provided discounts, free registration changes,

02:32:14 1 or small fees to "referral agents": DSU students who in
02:32:20 2 turn recruited other DSU students to change their
02:32:20 3 registration status.

02:32:23 4 The estimated cost to the public university of
02:32:24 5 students improperly receiving in-state tuition as a result
02:32:28 6 of the defendant's scream during the time period of 2013 to
02:32:31 7 2017 exceeded \$3 million.

02:32:35 8 THE COURT: Do you know, Ms. Hatcher, how many
02:32:39 9 different students we're talking about?

02:32:42 10 MS. HATCHER: An approximate standing here today
02:32:45 11 is I think it was about 300.

02:32:48 12 THE COURT: Okay. All right. Did you hear
02:32:54 13 anything there, Mr. Williams, that you disagree with?

02:32:58 14 MS. CHAVAR: Your Honor, if I may for
02:33:00 15 Mr. Williams.

02:33:02 16 THE COURT: Sure.

02:33:03 17 MS. CHAVAR: So, Your Honor, many of the facts
02:33:07 18 that Ms. Hatcher proffered are facts which we will address
02:33:14 19 at sentencing, and I'll be more specific, so we do not admit
02:33:19 20 to those today. Mr. Williams is here today to plead guilty.
02:33:26 21 I would note that since my appointment to him of over a year
02:33:30 22 ago, he always intended to plead guilty. That has never
02:33:34 23 changed. The sticking point, though, was who the leader
02:33:39 24 was.

02:33:39 25 THE COURT: Okay. Well, that's -- I'm going to

1 let you go, but that makes no difference whether he was a
2 leader or follower for the purposes of today's proceeding.
3 But I have invited you -- so you got a marker on leader.

4 MS. CHAVAR: Of course I understand that, Your
5 Honor. But I'm not -- so that is the reason that we don't
6 agree with all of those facts. And we will address them at
7 sentencing.

8 THE COURT: That's fine. But the other things,
9 the general gist of \$70,000 paid to Martin, \$3 million the
10 University lost, 300 students, do you have any serious
11 disagreement with those?

12 MS. CHAVAR: We don't have any serious
13 disagreement. We have not challenged that paperwork. We
14 have accepted what the government has told us and do not
15 challenge it. And Mr. Williams is here today to say that
16 he's guilty of engaging in a scheme with Ms. Martin where
17 they collected a fee from students to have their
18 out-of-state status changed to in-state. And in so doing it
19 caused the theft of several funds of the University.

20 THE COURT: Other than that, is there anything
21 you want to raise?

22 MS. CHAVAR: No, Your Honor.

23 THE COURT: Okay. All right. Well, as I have
24 said, the question of who was the leader of this scheme is
25 important to Mr. Williams and it is important to Ms. Martin

02:35:17 1 in terms of sentencing, but in terms of guilty plea it makes
02:35:21 2 no difference who is the leader. So we can go ahead on that
02:35:25 3 basis.

02:35:26 4 So Mr. Williams, because this is your first
02:35:30 5 appearance in open court, you have the right to have the
02:35:35 6 information read out loud. You also have the right to waive
02:35:39 7 the reading of the information. What do you want to do?

02:35:43 8 THE DEFENDANT: I would like to waive it.

02:35:44 9 THE COURT: I will accept that.

02:35:46 10 Is there anything further, Ms. Chavar, that I
02:35:50 11 should ask Mr. Williams before asking him how he now pleads?

02:35:53 12 MS. CHAVAR: No, Your Honor.

02:35:54 13 THE COURT: Mr. Williams, at this time how do
02:35:56 14 you now plead to the charge that we have been discussing,
02:36:00 15 theft and bribery concerning program receiving federal
02:36:05 16 funds, guilty or not guilty?

02:36:06 17 THE DEFENDANT: Guilty.

02:36:07 18 THE COURT: It is the finding of the Court in
02:36:09 19 the case of the United States versus Stephen Williams that
02:36:12 20 the Defendant is fully competent and capable of entering an
02:36:16 21 informed plea and his plea of guilty is a voluntary plea
02:36:21 22 supported by an independent basis in fact containing each of
02:36:26 23 the essential elements of the offense, therefore, his plea
02:36:27 24 of guilty is accepted and he is now adjudged guilty of the
02:36:31 25 offense.

02:36:32 1 The last thing I need for him, for you in terms
02:36:35 2 of the guilty plea today, Mr. Williams, is to sign the back
02:36:38 3 of the information acknowledging your plea and then
02:36:44 4 Ms. Chavar will come forward and get that. I will also sign
02:36:47 5 the Memorandum of Plea Agreement indicating that I accept
02:36:53 6 it.

02:37:09 7 MS. CHAVAR: And now I'm handing up for the
02:37:12 8 Court an executed acknowledgment of a guilty plea to the
02:37:15 9 information.

02:37:16 10 THE COURT: Thank you.

02:37:17 11 THE CLERK: The plea has been entered.

02:37:18 12 THE COURT: All right. So do we have a proposed
02:37:23 13 sentencing day?

02:37:25 14 COURT CLERK: I have Friday, September 6th,
02:37:28 15 2019, at 9:00 a.m.

02:37:34 16 THE COURT: Does that work --

02:37:38 17 MS. CHAVAR: I am not available.

02:37:40 18 THE COURT: Okay. So will you be available the
02:37:46 19 following week?

02:37:47 20 MS. CHAVAR: I am starting what is scheduled to
02:37:52 21 be a six-week trial that first week in September.

02:37:58 22 THE COURT: Okay. Set is that a trial here in
02:38:02 23 Delaware?

02:38:02 24 MS. CHAVAR: No, it's in federal court in
02:38:04 25 Philadelphia.

02:38:08 1 THE COURT: So hold the thought, Ms. Chavar.

02:38:10 2 Ms. Hatcher, does it make any difference -- we
02:38:17 3 can do one of two things. We could schedule it for
02:38:20 4 September 6th and recognize that -- when does your trial
02:38:25 5 actually start?

02:38:26 6 MS. CHAVAR: May I look at my calendar?

02:38:29 7 THE COURT: Yes.

02:38:31 8 MS. CHAVAR: And the case is United States
02:38:33 9 versus Rimes, it's before Judge Goldberg in the Eastern
02:38:37 10 District Court. So the trial starts on the 9th. I have
02:39:06 11 that -- those days blocked out for pretrial motions, but I
02:39:11 12 can't say to Your Honor right now that I know that's going
02:39:14 13 to be hearing dates. I think I blocked that, so I can --

02:39:18 14 THE COURT: Why don't we do this, unless
02:39:21 15 Ms. Hatcher has a different thought, which is why don't we
02:39:27 16 schedule for September 6th at 9:00 a.m. We'll sort of get
02:39:32 17 ready for it like it's that, but at some point if you
02:39:36 18 determine either the court is going to need you on
02:39:38 19 September 6th, or that even if the court doesn't need you,
02:39:43 20 you can't possibly do justice for that client without being
02:39:46 21 full-time working on that, I'll continue the sentencing.

02:39:51 22 MS. CHAVAR: Very well. Thank you, Your Honor.

02:39:52 23 THE COURT: Does that work for you, Ms. Hatcher?

02:39:54 24 MS. HATCHER: No objection, Your Honor.

02:39:55 25 THE COURT: So we'll schedule sentencing for

02:39:59 1 September 6, 2019, at 9:00 a.m. And as you just heard,
02:40:03 2 Mr. Williams, and I mention this because I think in a few
02:40:07 3 minutes I'm going to be releasing you on bail, you have to
02:40:10 4 be here then unless you get confirmed word from your
02:40:14 5 attorney or some other reliable person like a probation
02:40:19 6 officer that we've postponed it for one reason or another.
02:40:25 7 So that's the date.

02:40:27 8 Mr. Williams, we will get a written presentence
02:40:30 9 report prepared by the probation office to assist me in
02:40:33 10 sentencing. You will be asked to give information for the
02:40:37 11 report and your attorney may be present with you when you do
02:40:41 12 so if you wish.

02:40:42 13 You and your attorney will be able to read the
02:40:45 14 presentence report and file any objections to it before the
02:40:47 15 sentencing hearing. You and your attorney will have an
02:40:50 16 opportunity to speak on your behalf at the sentencing
02:40:53 17 hearing. If there is a victim of the offense, it seems like
02:40:59 18 there is, it will have the opportunity to speak at the
02:41:03 19 sentencing hearing.

02:41:04 20 And normally I would tell you that you and your
02:41:07 21 attorney need to promptly contact the probation office to
02:41:11 22 get the presentence process started, but we have a probation
02:41:15 23 officer sitting in the courtroom so I think this counts.

02:41:19 24 So we need to decide what to do about bail. So
02:41:30 25 I have been provided a pretrial services report, which is

02:41:41 1 six-pages long, and the probation office proposed order
02:41:51 2 setting conditions of release. Are these documents that you
02:41:53 3 all have, Ms. Chavar?

02:41:55 4 MS. CHAVAR: I have reviewed them, Your Honor,
02:41:57 5 yes. I don't have a paper copy with me, but I'm familiar of
02:42:01 6 what's in them.

02:42:02 7 THE COURT: Ms. Hatcher, does the government
02:42:03 8 have any different position than essentially I can do just
02:42:07 9 what the probation office has advised me to do?

02:42:11 10 MS. HATCHER: No, the government agrees with
02:42:12 11 probation.

02:42:13 12 THE COURT: Ms. Chavar, are you comfortable with
02:42:15 13 what the probation office has recommended?

02:42:17 14 MS. CHAVAR: Yes, Your Honor.

02:42:18 15 THE COURT: So Mr. Williams is dutifully in here
02:42:23 16 today, I guess he's known about this for at least a year, so
02:42:27 17 I don't think there is any risk of flight. And in terms of
02:42:33 18 danger to the community and the way it's usually referred
02:42:36 19 to, there is no evidence he's a danger to the community. So
02:42:39 20 I'm going to release him on bail.

02:42:43 21 Mr. Williams, so I'm going to release you on
02:43:00 22 bail. There are some conditions that the probation office
02:43:04 23 thinks are appropriate which seem to be backed up by the
02:43:07 24 report. Let me just tell you what they are. Most of them I
02:43:11 25 don't think will be too hard for you.

02:43:13 1 So you got to submit to the supervision and
02:43:18 2 report for supervision to the District of Delaware U.S.
02:43:22 3 Probation Office no later than May 28th, which I think is on
02:43:25 4 Tuesday. There is a telephone number which is in the order,
02:43:31 5 (302)252-2950. I understand you're currently employed, but
02:43:36 6 in case something happens, you have to continue to actively
02:43:40 7 seek employment.

02:43:41 8 I guess you told me you're working on another
02:43:46 9 degree. So one of the conditions is to continue or start an
02:43:55 10 education program. More seriously here, you're not to
02:44:01 11 obtain a passport or other international travel documents.
02:44:05 12 In terms of your movements, travel is restricted to the
02:44:11 13 District of Delaware which is the same as the State of
02:44:14 14 Delaware, so Delaware and New Jersey, because I understand
02:44:17 15 you work in New Jersey, but basically other than Delaware
02:44:21 16 and New Jersey, you can't go anywhere. It actually says you
02:44:32 17 can't go to New Jersey other than in relation to employment.
02:44:36 18 Is that agreeable?

02:44:38 19 THE DEFENDANT: Yes.

02:44:38 20 THE COURT: So you're not to possess a firearm,
02:44:44 21 destructive device, or other weapon.

02:44:46 22 THE DEFENDANT: No. I thought you asked if I
02:44:49 23 was in possession of a firearm.

02:44:51 24 MS. CHAVAR: He thought you asked him if he had
02:44:52 25 a firearm, and he said no.

02:44:54 1 THE COURT: In any event, so don't get one.
02:44:56 2 You're not to use alcohol excessively. I don't understand
02:45:03 3 you to have any drug history, but nevertheless, you may not
02:45:07 4 use or unlawful possess a narcotic drug or other controlled
02:45:12 5 substance unless prescribed by a licensed medical
02:45:16 6 practitioner. If the probation officer determines that you
02:45:20 7 need to submit to testing for a prohibited substance, you're
02:45:25 8 going to need to do that. Testing may be used with random
02:45:33 9 frequency for any form of prohibited substance. If there is
02:45:40 10 such testing, you must not obstruct or tamper with the
02:45:45 11 efficiency or accuracy of the prohibited substance screening
02:45:49 12 or testing.

02:45:49 13 So you're to report as soon as possible to the
02:45:55 14 pretrial office, the supervising officer every contact with
02:46:00 15 law enforcement personnel including arrest, questioning or
02:46:05 16 traffic stops. If you get a speeding ticket, which I guess
02:46:08 17 is not impossible for you, you need to call the probation
02:46:12 18 office and tell them about it. Okay?

02:46:14 19 THE DEFENDANT: Yes, sir.

02:46:15 20 THE COURT: And you should continue to attend
02:46:17 21 any counseling meetings or maintain sponsor reporting for
02:46:25 22 any gambling issue. Okay?

02:46:28 23 THE DEFENDANT: Yes, sir.

02:46:29 24 THE COURT: So that's it. I'm going to sign
02:46:31 25 this.

02:46:31 1 MS. CHAVAR: Excuse me, Your Honor. I think
02:46:33 2 Mr. Williams had a question for me about New Jersey and
02:46:36 3 travel. Mr. Williams is also a coach for football team in
02:46:56 4 New Jersey, so I think that that only allows him to go where
02:47:01 5 his employment in New Jersey, which is a school.

02:47:04 6 THE COURT: So I'm pretty -- I'm perfectly happy
02:47:10 7 to say just Delaware and New Jersey, and I don't really care
02:47:13 8 what you're doing in New Jersey as long as it's nothing that
02:47:17 9 you wouldn't do in Delaware. Okay?

02:47:19 10 MS. CHAVAR: Thank you, Your Honor.

02:47:20 11 THE DEFENDANT: Thank you.

02:47:21 12 THE COURT: So let me just -- so I'm just going
02:47:25 13 to make this travel restricted to the District of Delaware
02:47:29 14 and the State of New Jersey. Okay?

02:47:36 15 MS. CHAVAR: Thank you, Your Honor.

02:47:37 16 THE COURT: All right. So I'm going to sign
02:47:39 17 here. And so when we're finished, Mr. Williams, you'll have
02:47:54 18 to sign in the appropriate place. But let me just finish
02:47:59 19 here.

02:47:59 20 So we have a sentencing date. As I mentioned
02:48:02 21 before, you do have to appear for the sentencing. Failure
02:48:08 22 to appear as required is a new crime for which you could be
02:48:12 23 sentenced to imprisonment. Further, if you fail to appear
02:48:18 24 and we have to postpone the proceeding, you probably end up
02:48:22 25 being arrested and then have to wait in jail for the

02:48:27 1 sentencing. So make sure you appear as required.

02:48:35 2 Is there anything further, Ms. Hatcher?

02:48:39 3 MS. HATCHER: No, Your Honor.

02:48:40 4 THE COURT: Ms. Chavar?

02:48:42 5 MS. CHAVAR: No, Your Honor.

02:48:43 6 THE COURT: All right. Well, then, I will

02:48:44 7 recess court. Mr. Williams, make sure you sign the

02:48:48 8 paperwork. We'll be in recess.

02:48:49 9 (Court recessed at 2:48 p.m.)

10

11 I hereby certify the foregoing is a true
12 and accurate transcript from my stenographic notes in the
13 proceeding.

13

14

/s/ Dale C. Hawkins
Official Court Reporter
U.S. District Court

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